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In the Supreme Court of the United States

OCTOBER TERM, 1970

No. 9, Original

UNITED STATES OF AMERICA, PLAINTIFF

v.

STATE OF LOUISIANA, ET AL.

MOTION BY THE UNITED STATES FOR ENTRY OF A SUPPLEMENTAL DECREE AS TO THE STATE OF LOUISIANA (NO. 3) [1]

The United States of America, by the Solicitor General, moves the Court as follows:

1. That the Court enter a supplemental decree as to the State of Louisiana, in the form submitted herewith, declaring the rights of the United States in the area of the continental shelf described in the proposed supplemental decree, and releasing to the United States, free of impoundment, all sums heretofore or hereafter derived from or attributable to leases of lands lying wholly within the area described.

2. That the State of Louisiana be required to respond to this motion within 60 days.

This motion is made on the following grounds:

1. Every ground asserted by Louisiana in support

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[1] This motion is designated "No. 3" to differentiate it from similar motions filed by the United States on November 23, 1965, and on January 3, 1968, which were designated "No. 1" and "No. 2", respectively.

of its claim to rights in the described area was rejected by the Court in its opinion of March 3, 1969, 394 U.S. 11.

2. Louisiana's petition for rehearing was denied on April 21, 1969, 394 U.S. 994.

3. By order of May 19, 1969, 395 U.S. 901, the Court referred this case to Walter P. Armstrong, Jr., as Special Master, "to make a preliminary determination consistent with the opinion of this Court."

4. In the proceedings before the Special Master, Louisiana has admitted that no determination consistent with the Court's opinion could give Louisiana any rights in the described area, that Louisiana asserts no claim to the described area under the order of reference, and that no issue as to that area is pending before the Special Master.

5. A very large sum of money, now amounting to more than a billion dollars, has been derived from leases of lands lying wholly within the described area and is now held impounded by the United States pursuant to the parties' Interim Agreement of October 12, 1956, as amended, on file herein.

6. There is no reason why a decree should not be entered at this time, declaring the rights of the United States in the area described and terminating the impoundment as to sums derived from leases of lands lying wholly within that area, without waiting until a decree can be entered with respect to the areas in dispute before the Special Master.

Respectfully submitted.

ERWIN N. GRISWOLD,
Solicitor General.

In the Supreme Court of the United States

OCTOBER TERM, 1970

No. 9, Original

UNITED STATES OF AMERICA, PLAINTIFF

v.

STATE OF LOUISIANA, ET AL.

PROPOSED SUPPLEMENTAL DECREE

It appearing to the Court that its opinion herein of March 3, 1969, 394 U.S. 11, rejected every ground asserted by the State of Louisiana in support of its claim to rights in the area of the continental shelf hereinafter described, and that no issue as to said area is now pending before the Special Master appointed herein by order of May 19, 1969, 395 U.S. 901; and

It further appearing that substantial revenues derived from lands lying wholly within said area are now being held impounded by the United States pursuant to the parties' Interim Agreement of October 12, 1956, as amended, on file herein, and that there is no reason why the Court should not at this time enter a supplemental decree declaring the rights of the United States in the described area and terminating the obligation of the United States to hold impounded the revenues heretofore or hereafter derived from leases of lands lying wholly within the described area:

IT IS ORDERED, ADJUDGED AND DECREED:

1. As against the defendant State of Louisiana and all persons claiming under it, the United States has exclusive rights to explore the area of the continental shelf lying more than one foot seaward of the line described in paragraph 3 hereof, and to exploit the natural resources of said area. The State of Louisiana is not entitled to any interest in such lands, minerals, or resources, and said State, its privies, assigns, lessees and other persons claiming under it are hereby enjoined from interfering with the rights of the United States in such lands, minerals and resources.

2. All sums now held impounded by the United States under the Interim Agreement of October 12, 1956, as amended, derived from leases of lands lying wholly within the area referred to in paragraph 1 hereof are hereby released to the United States absolutely, and the United States is hereby relieved of any obligation under said agreement to impound any sums hereafter received by it from leases of lands lying wholly within said area.

3. The line referred to in paragraph 1 hereof is described by coordinates in the Louisiana Plane Coordinate System, South Zone, as follows:

	X	Y
BEGINNING AT	2769356.556	575649.806
BY STRAIGHT LINE TO	2790257.937	526389.980
BY ARC CENTERED AT	2779632.000	512013.000
TO	2791384.930	525434.041
BY STRAIGHT LINE TO	2793118.930	523838.041
BY ARC CENTERED AT	2780766.000	510417.000
TO	2794593.837	522312.804
BY STRAIGHT LINE TO	2795886.837	520809.804
BY ARC CENTERED AT	2782059.000	508914.000
TO	2796579.124	519954.164
BY STRAIGHT LINE TO	2799209.124	516495.164

	X	Y
BY ARC CENTERED AT	2784689.000	505455.000
TO	2800440.568	514653.224
BY STRAIGHT LINE TO	2804269.568	508096.224
BY ARC CENTERED AT	2788518.000	498898.000
TO	2804494.998	507698.840
BY STRAIGHT LINE TO	2806027.998	504915.840
BY ARC CENTERED AT	2790051.000	496115.000
TO	2807013.645	502822.304
BY STRAIGHT LINE TO	2808652.645	498677.304
BY ARC CENTERED AT	2791690.000	491970.000
TO	2809151.167	497245.118
BY STRAIGHT LINE TO	2812250.167	486987.118
BY ARC CENTERED AT	2794789.000	481712.000
TO	2812519.378	485996.033
BY STRAIGHT LINE TO	2813932.378	480148.033
BY ARC CENTERED AT	2796202.000	475864.000
TO	2814261.901	478425.093
BY STRAIGHT LINE TO	2815268.901	471324.093
BY ARC CENTERED AT	2797209.000	468763.000
TO	2815426.129	469687.898
BY STRAIGHT LINE TO	2815673.129	464822.898
BY ARC CENTERED AT	2797456.000	463898.000
TO	2815696.593	463894.844
BY STRAIGHT LINE TO	2815695.593	458115.844
BY ARC CENTERED AT	2797455.000	458119.000
TO	2815656.660	456927.864
BY STRAIGHT LINE TO	2815268.660	450998.864
BY ARC CENTERED AT	2797067.000	452190.000
TO	2815170.804	449960.314
BY STRAIGHT LINE TO	2813956.804	440103.314
BY ARC CENTERED AT	2795853.000	442333.000
TO	2813808.964	439123.233
BY STRAIGHT LINE TO	2812677.964	432796.233
BY ARC CENTERED AT	2794722.000	436006.000
TO	2812418.508	431584.141
BY STRAIGHT LINE TO	2810956.508	425733.141
BY ARC CENTERED AT	2793260.000	430155.000
TO	2810698.968	424806.950
BY STRAIGHT LINE TO	2807853.968	415529.950
BY ARC CENTERED AT	2790415.000	420878.000
TO	2807571.652	414683.766
BY STRAIGHT LINE TO	2805321.652	408451.766
BY ARC CENTERED AT	2788165.000	414646.000
TO	2805227.217	408196.195
BY STRAIGHT LINE TO	2803786.217	404384.195
BY ARC CENTERED AT	2786724.000	410834.000
TO	2803319.235	403263.173
BY STRAIGHT LINE TO	2799845.235	395648.173
BY ARC CENTERED AT	2783250.000	403219.000
TO	2798970.928	393968.505

	X	Y
BY STRAIGHT LINE TO	2795393.928	387889.505
BY ARC CENTERED AT	2779673.000	397140.000
TO	2795310.866	387749.772
BY STRAIGHT LINE TO	2793559.866	384833.772
BY ARC CENTERED AT	2777922.000	394224.000
TO	2792248.791	382934.080
BY STRAIGHT LINE TO	2790813.791	381113.080
BY ARC CENTERED AT	2776487.000	392403.000
TO	2789360.151	379480.165
BY ARC CENTERED AT	2774670.000	390293.000
TO	2788262.435	378128.916
BY STRAIGHT LINE TO	2786553.159	375044.826
BY ARC CENTERED AT	2770599.000	383887.000
TO	2785045.121	372750.177
BY STRAIGHT LINE TO	2783941.664	371318.828
BY STRAIGHT LINE TO	2783791.761	371061.536
BY ARC CENTERED AT	2768031.000	380244.000
TO	2780548.119	366975.957
BY STRAIGHT LINE TO	2775735.205	360552.955
BY ARC CENTERED AT	2761138.000	371491.000
TO	2775111.280	359766.382
BY STRAIGHT LINE TO	2773031.020	357287.149
BY ARC CENTERED AT	2757465.000	366796.000
TO	2771721.145	355417.004
BY STRAIGHT LINE TO	2770633.235	354054.018
BY STRAIGHT LINE TO	2770504.786	353847.463
BY ARC CENTERED AT	2755015.000	363480.000
TO	2767787.706	350457.818
BY STRAIGHT LINE TO	2761993.706	344774.818
BY ARC CENTERED AT	2749221.000	357797.000
TO	2760702.849	343623.561
BY STRAIGHT LINE TO	2757790.849	341264.561
BY ARC CENTERED AT	2746309.000	355438.000
TO	2756371.988	340224.338
BY STRAIGHT LINE TO	2773418.101	206994.932
BY ARC CENTERED AT	2755325.000	204680.000
TO	2773307.767	201623.969
BY STRAIGHT LINE TO	2773160.767	200758.969
BY ARC CENTERED AT	2755178.000	203815.000
TO	2773015.068	199999.475
BY STRAIGHT LINE TO	2772420.179	188058.433
BY ARC CENTERED AT	2754263.000	186316.000
TO	2772345.899	183922.675
BY STRAIGHT LINE TO	2771967.899	181066.675
BY ARC CENTERED AT	2753885.000	183460.600
TO	2766173.905	169980.310
BY STRAIGHT LINE TO	2764758.905	168690.310
BY ARC CENTERED AT	2752470.000	182170.000
TO	2763667.122	167770.566
BY STRAIGHT LINE TO	2740620.854	137484.221

	X	Y
BY ARC CENTERED AT	2726105.000	148530.000
TO	2735648.943	132985.471
BY STRAIGHT LINE TO	2719764.466	115956.608
BY ARC CENTERED AT	2701773.000	118961.000
TO	2717763.031	110183.863
BY STRAIGHT LINE TO	2717662.031	109999.863
BY ARC CENTERED AT	2701672.000	118777.000
TO	2714989.110	106312.097
BY ARC CENTERED AT	2701104.000	118141.000
TO	2714747.154	106033.830
BY STRAIGHT LINE TO	2714613.154	105882.830
BY ARC CENTERED AT	2700970.000	117990.000
TO	2712654.457	103983.120
BY ARC CENTERED AT	2699658.000	116782.000
TO	2699042.141	98551.807
BY STRAIGHT LINE TO	2614267.867	73928.355
BY ARC CENTERED AT	2609180.000	91445.000
TO	2597415.825	77505.006
BY STRAIGHT LINE TO	2595525.825	79100.006
BY ARC CENTERED AT	2607290.000	93040.000
TO	2589264.969	90244.022
BY STRAIGHT LINE TO	2573559.774	191491.823
BY STRAIGHT LINE TO	2572517.559	191919.643
BY ARC CENTERED AT	2576174.000	209790.000
TO	2567199.659	193909.810
BY ARC CENTERED AT	2574890.000	210450.000
TO	2566471.962	194268.039
BY STRAIGHT LINE TO	2564468.949	194806.822
BY ARC CENTERED AT	2565940.000	212988.000
TO	2559750.152	195829.765
BY STRAIGHT LINE TO	2559111.844	196060.036
BY ARC CENTERED AT	2562149.000	214046.000
TO	2557271.764	196469.544
BY STRAIGHT LINE TO	2557018.765	196539.748
BY STRAIGHT LINE TO	2552324.142	197552.879
BY ARC CENTERED AT	2556172.000	215383.000
TO	2551363.075	197787.732
BY STRAIGHT LINE TO	2414966.738	172672.945
BY STRAIGHT LINE TO	2410270.288	168699.151
BY STRAIGHT LINE TO	2406006.195	164748.910
BY ARC CENTERED AT	2393610.000	178130.000
TO	2404971.660	163860.034
BY STRAIGHT LINE TO	2397194.660	157668.034
BY ARC CENTERED AT	2385833.000	171938.000
TO	2396858.180	157406.495
BY STRAIGHT LINE TO	2392712.390	154261.048
BY STRAIGHT LINE TO	2389824.019	151967.545
BY ARC CENTERED AT	2376485.000	164409.000
TO	2387438.051	149823.051
BY STRAIGHT LINE TO	2385828.051	148614.051

	X	Y
BY ARC CENTERED AT	2374875.000	163200.000
TO	2382739.005	146741.669
BY STRAIGHT LINE TO	2382462.756	146609.674
BY STRAIGHT LINE TO	2379481.241	144717.970
BY ARC CENTERED AT	2369709.000	160120.000
TO	2378912.544	144371.540
BY STRAIGHT LINE TO	2376898.544	143194.540
BY ARC CENTERED AT	2367695.000	158943.000
TO	2374966.704	142214.534
BY STRAIGHT LINE TO	2373711.682	141668.989
BY ARC CENTERED AT	2364392.000	157349.000
TO	2367742.517	139418.767
BY STRAIGHT LINE TO	2365248.314	138184.960
BY ARC CENTERED AT	2354070.000	152599.000
TO	2349744.041	134878.805
BY STRAIGHT LINE TO	2348371.940	134393.582
BY STRAIGHT LINE TO	2346096.020	133533.975
BY ARC CENTERED AT	2339651.000	150598.000
TO	2344530.100	133022.061
BY STRAIGHT LINE TO	2342882.004	132564.548
BY STRAIGHT LINE TO	2341883.034	132218.265
BY STRAIGHT LINE TO	2334774.627	129342.086
BY ARC CENTERED AT	2327933.000	146251.000
TO	2333793.990	128977.667
BY STRAIGHT LINE TO	2328326.990	127122.667
BY ARC CENTERED AT	2322466.000	144396.000
TO	2326958.626	126717.325
BY STRAIGHT LINE TO	2326905.790	126703.898
BY ARC CENTERED AT	2319608.000	143421.000
TO	2324588.088	125373.409
BY STRAIGHT LINE TO	2322643.088	125321.409
BY ARC CENTERED AT	2317663.000	142869.000
TO	2322367.586	125245.547
BY STRAIGHT LINE TO	2318606.586	124241.547
BY ARC CENTERED AT	2313902.000	141865.000
TO	2314460.343	123632.954
BY STRAIGHT LINE TO	2312762.343	123580.954
BY ARC CENTERED AT	2312204.000	141813.000
TO	2311215.315	123599.221
BY STRAIGHT LINE TO	2309557.315	123689.221
BY ARC CENTERED AT	2310546.000	141903.000
TO	2308711.076	123754.934
BY ARC CENTERED AT	2300326.000	139954.000
TO	2308388.131	123591.809
BY STRAIGHT LINE TO	2306600.131	122710.809
BY ARC CENTERED AT	2298538.000	139073.000
TO	2302488.899	121265.428
BY STRAIGHT LINE TO	2299991.899	120711.428
BY ARC CENTERED AT	2296041.000	138519.000
TO	2295410.988	120289.290

	X	Y
BY STRAIGHT LINE TO	2294513.988	120320.290
BY ARC CENTERED AT	2295144.000	138550.000
TO	2288531.687	121550.101
BY STRAIGHT LINE TO	2287770.687	121846.101
BY ARC CENTERED AT	2294383.000	138846.000
TO	2287412.160	121989.944
BY STRAIGHT LINE TO	2284138.223	122399.427
BY ARC CENTERED AT	2286402.000	140499.000
TO	2283007.179	122577.102
BY STRAIGHT LINE TO	2277807.179	123562.102
BY ARC CENTERED AT	2281202.000	141484.000
TO	2276614.048	123829.824
BY STRAIGHT LINE TO	2270161.048	125506.824
BY ARC CENTERED AT	2274749.000	143161.000
TO	2267618.118	126372.023
BY STRAIGHT LINE TO	2263074.118	128302.023
BY ARC CENTERED AT	2270205.000	145091.000
TO	2262735.940	128449.715
BY STRAIGHT LINE TO	2256980.940	131032.715
BY ARC CENTERED AT	2264450.000	147674.000
TO	2255335.199	131874.012
BY STRAIGHT LINE TO	2251881.284	133866.529
BY STRAIGHT LINE TO	2250291.214	134590.217
BY STRAIGHT LINE TO	2229997.048	129637.207
BY STRAIGHT LINE TO	2228299.063	128761.074
BY ARC CENTERED AT	2219935.000	144971.000
TO	2227466.216	128357.751
BY STRAIGHT LINE TO	2225677.216	127546.751
BY ARC CENTERED AT	2218146.000	144160.000
TO	2222547.419	126458.397
BY STRAIGHT LINE TO	2219572.429	125718.680
BY STRAIGHT LINE TO	2212203.201	123742.459
BY STRAIGHT LINE TO	2203721.663	121100.023
BY ARC CENTERED AT	2198296.000	138515.000
TO	2202940.874	120875.715
BY STRAIGHT LINE TO	2196974.874	119304.715
BY ARC CENTERED AT	2192330.000	136944.000
TO	2195302.266	118947.198
BY STRAIGHT LINE TO	2189988.208	118069.554
BY STRAIGHT LINE TO	2188596.458	117772.421
BY ARC CENTERED AT	2184788.000	135611.000
TO	2185155.886	117374.117
BY ARC CENTERED AT	2182166.000	135368.000
TO	2181100.490	117158.554
BY STRAIGHT LINE TO	2179579.490	117247.554
BY ARC CENTERED AT	2180645.000	135457.000
TO	2177978.852	117 12.309
BY STRAIGHT LINE TO	2172399.849	117308.349
BY STRAIGHT LINE TO	2171638.111	117082.068
BY ARC CENTERED AT	2167836.000	134922.000

	X	Y
TO	2168752.572	116704.450
BY STRAIGHT LINE TO	2165393.572	116535.450
BY ARC CENTERED AT	2164477.000	134753.000
TO	2161326.081	116786.616
BY STRAIGHT LINE TO	2160026.671	117014.505
BY STRAIGHT LINE TO	2156272.569	117354.955
BY ARC CENTERED AT	2157920.000	135521.000
TO	2155033.394	117510.260
BY STRAIGHT LINE TO	2149319.763	118425.992
BY ARC CENTERED AT	2147751.000	136599.000
TO	2149162.352	118413.090
BY STRAIGHT LINE TO	2145000.352	118090.090
BY ARC CENTERED AT	2143589.000	136276.000
TO	2143589.000	118035.407
BY STRAIGHT LINE TO	2139529.000	118035.407
BY ARC CENTERED AT	2139529.000	136276.000
TO	2137974.807	118101.740
BY STRAIGHT LINE TO	2136687.713	118211.811
BY STRAIGHT LINE TO	2132677.620	118549.888
BY ARC CENTERED AT	2134210.000	136726.000
TO	2130789.620	118808.962
BY STRAIGHT LINE TO	2129668.620	119022.962
BY ARC CENTERED AT	2133089.000	136940.000
TO	2126158.210	120067.437
BY STRAIGHT LINE TO	2122636.540	121514.043
BY STRAIGHT LINE TO	2122090.600	121683.588
BY STRAIGHT LINE TO	2118739.612	122394.088
BY ARC CENTERED AT	2122523.000	140238.000
TO	2114775.806	123724.363
BY STRAIGHT LINE TO	2111081.806	125457.363
BY ARC CENTERED AT	2118829.000	141971.000
TO	2108033.001	127268.427
BY STRAIGHT LINE TO	2107269.001	127829.427
BY ARC CENTERED AT	2118065.000	142532.000
TO	2103682.105	131313.642
BY STRAIGHT LINE TO	2103291.338	131814.638
BY STRAIGHT LINE TO	2063551.901	176572.248
BY ARC CENTERED AT	2075295.000	190530.000
TO	2059950.518	180667.643
BY ARC CENTERED AT	2071131.000	195080.000
TO	2058843.067	181599.424
BY ARC CENTERED AT	2062055.000	199555.000
TO	2057133.878	181990.781
BY STRAIGHT LINE TO	2053778.878	182930.781
BY ARC CENTERED AT	2058700.000	200495.000
TO	2053474.211	183019.006
BY STRAIGHT LINE TO	2052967.358	183053.121
BY STRAIGHT LINE TO	2051871.023	183006.136
BY ARC CENTERED AT	2051090.000	201230.000
TO	2050844.855	182991.054

	X	Y
BY STRAIGHT LINE TO	2048984.853	183016.054
BY ARC CENTERED AT	2049230.000	201255.000
TO	2048033.279	183053.706
BY STRAIGHT LINE TO	2044865.110	183262.011
BY STRAIGHT LINE TO	2041482.009	183446.456
BY ARC CENTERED AT	2042475.000	201660.000
TO	2037472.505	184118.784
BY STRAIGHT LINE TO	2033138.620	185354.743
BY STRAIGHT LINE TO	2032933.709	185387.056
BY ARC CENTERED AT	2035775.000	203405.000
TO	2029790.979	186173.902
BY STRAIGHT LINE TO	2027400.979	187003.902
BY ARC CENTERED AT	2033385.000	204235.000
TO	2026833.971	187211.391
BY STRAIGHT LINE TO	2023509.988	188490.527
BY STRAIGHT LINE TO	2020958.847	189326.687
BY ARC CENTERED AT	2026640.000	206660.000
TO	2019189.740	190010.289
BY STRAIGHT LINE TO	2016613.211	191163.211
BY STRAIGHT LINE TO	2015795.894	191414.427
BY ARC CENTERED AT	2021155.000	208850.000
TO	2013823.478	192147.664
BY STRAIGHT LINE TO	2010121.478	193772.664
BY ARC CENTERED AT	2017453.000	210475.000
TO	2007660.073	195086.114
BY STRAIGHT LINE TO	2006450.073	195856.114
BY ARC CENTERED AT	2016243.000	211245.000
TO	2002812.039	198902.856
BY STRAIGHT LINE TO	2001329.365	200516.331
BY STRAIGHT LINE TO	1998627.524	203118.747
BY STRAIGHT LINE TO	1996876.875	204647.104
BY ARC CENTERED AT	2008873.000	218388.000
TO	1994484.382	207176.983
BY STRAIGHT LINE TO	1993669.382	208222.983
BY ARC CENTERED AT	2008058.000	219434.000
TO	1992024.459	210736.599
BY STRAIGHT LINE TO	1991723.504	211291.404
BY STRAIGHT LINE TO	1991392.007	211653.006
BY STRAIGHT LINE TO	1987526.734	215291.902
BY ARC CENTERED AT	2000030.000	228573.000
TO	1985880.690	217061.430
BY STRAIGHT LINE TO	1984418.690	218858.430
BY ARC CENTERED AT	1998568.000	230370.000
TO	1982725.876	221328.633
BY STRAIGHT LINE TO	1981279.040	223863.752
BY ARC CENTERED AT	1987818.000	240892.000
TO	1978538.8[illegible]	225187.963
BY STRAIGHT LINE TO	1913512.136	252159.733
BY ARC CENTERED AT	1914373.000	270380.000
TO	1902085.015	256899.471

	X	Y
BY STRAIGHT LINE TO	1899965.772	257778.490
BY ARC CENTERED AT	1896827.000	275747.000
TO	1895099.636	257588.381
BY ARC CENTERED AT	1882306.000	270590.000
TO	1867537.422	259884.472
BY ARC CENTERED AT	1872418.000	277460.000
TO	1858533.650	265630.205
BY ARC CENTERED AT	1843467.000	275912.000
TO	1848728.806	258446.816
BY ARC CENTERED AT	1835344.000	270839.000
TO	1842206.261	253938.450
BY STRAIGHT LINE TO	1840881.261	253400.450
BY ARC CENTERED AT	1834019.000	270301.000
TO	1817313.904	262975.771
BY STRAIGHT LINE TO	1816821.904	264097.771
BY ARC CENTERED AT	1833527.000	271423.000
TO	1815531.092	274400.671
BY ARC CENTERED AT	1820994.000	291804.000
TO	1808996.684	278064.144
BY ARC CENTERED AT	1809845.000	296285.000
TO	1792971.196	289357.232
BY ARC CENTERED AT	1791584.000	307545.000
TO	1773422.454	305848.689
BY ARC CENTERED AT	1783067.000	321331.000
TO	1771283.720	307407.152
BY ARC CENTERED AT	1782391.000	321876.000
TO	1769316.873	309156.470
BY ARC CENTERED AT	1778769.000	324757.000
TO	1763171.778	315299.416
BY ARC CENTERED AT	1763190.000	333540.000
TO	1762008.035	315337.742
BY STRAIGHT LINE TO	1761238.035	315387.742
BY ARC CENTERED AT	1762420.000	333590.000
TO	1761003.510	315404.490
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TO	1751584.928	316664.834
BY STRAIGHT LINE TO	1749526.738	316597.235
BY STRAIGHT LINE TO	1745677.439	316238.492
BY STRAIGHT LINE TO	1741756.932	315744.746
BY STRAIGHT LINE TO	1738097.906	314155.450
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TO	1737269.265	313819.425
BY STRAIGHT LINE TO	1733961.536	312571.604
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TO	1729983.294	310863.376
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TO	1726647.410	308752.009

	X	Y
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BY STRAIGHT LINE TO	1721351.205	305467.060
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TO	1715564.505	301738.722
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TO	1711470.692	300240.186
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TO	1706764.569	299020.421
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TO	1702465.472	298237.002
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TO	1696238.714	297724.804
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TO	1691302.392	297793.367
BY STRAIGHT LINE TO	1688714.392	297973.367
BY ARC CENTERED AT	1689980.000	316170.000
TO	1687709.313	298071.292
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BY STRAIGHT LINE TO	1674667.698	300584.259
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BY ARC CENTERED AT	1675346.000	319196.000
TO	1670472.396	301618.537
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BY ARC CENTERED AT	1671018.000	320396.000
TO	1665216.208	303102.694
BY STRAIGHT LINE TO	1663698.256	303611.957
BY STRAIGHT LINE TO	1662427.081	303960.024
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BY STRAIGHT LINE TO	1659494.422	304615.679
BY ARC CENTERED AT	1663290.000	322457.000
TO	1659476.114	304619.584
BY STRAIGHT LINE TO	1658119.984	304909.541
BY ARC CENTERED AT	1658887.000	323134.000
TO	1656353.874	305070.155
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TO	1652649.679	305355.609
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TO	1648634.766	306151.995
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BY ARC CENTERED AT	1649308.000	324684.000

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TO	1643681.190	307332.970
BY STRAIGHT LINE TO	1636292.049	308606.828
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BY ARC CENTERED AT	1622420.000	328555.000
TO	1619894.970	310490.021
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TO	1613147.762	311490.508
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TO	1609959.518	311827.752
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TO	1604701.693	312828.518
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TO	1601324.800	313389.485
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TO	1598672.218	313855.030
BY STRAIGHT LINE TO	1596369.924	314436.662
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BY STRAIGHT LINE TO	1592424.426	315063.358
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TO	1591478.647	315235.134
BY ARC CENTERED AT	1594075.000	333290.000
TO	1589693.705	315583.406
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TO	1589432.725	315633.627
BY STRAIGHT LINE TO	1588107.725	315898.627
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TO	1585928.488	316476.568
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TO	1581595.826	317731.616
BY STRAIGHT LINE TO	1576265.826	319311.616
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TO	1575360.430	319605.920
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TO	1569889.483	321544.746
BY STRAIGHT LINE TO	1565349.483	323209.746
BY ARC CENTERED AT	1571630.000	340335.000
TO	1563529.454	323991.794
BY STRAIGHT LINE TO	1563104.470	324202.438
BY STRAIGHT LINE TO	1561073.459	324993.694
BY ARC CENTERED AT	1567695.000	341990.000
TO	1558882.014	326019.699

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BY STRAIGHT LINE TO	1558878.845	326020.658
BY ARC CENTERED AT	1564160.000	343480.000
TO	1556225.264	327055.652
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BY STRAIGHT LINE TO	1553511.012	327893.991
BY ARC CENTERED AT	1558720.000	345375.000
TO	1551769.032	328510.740
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BY ARC CENTERED AT	1553840.000	347150.000
TO	1546080.537	330642.124
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TO	1541402.425	333093.656
BY STRAIGHT LINE TO	1540010.551	333646.129
BY ARC CENTERED AT	1546740.000	350600.000
TO	1537926.517	334629.973
BY STRAIGHT LINE TO	1531757.270	337418.384
BY ARC CENTERED AT	1539270.000	354040.000
TO	1530263.411	338178.077
BY STRAIGHT LINE TO	1527498.411	339748.077
BY ARC CENTERED AT	1536505.000	355610.000
TO	1526511.279	340350.748
BY STRAIGHT LINE TO	1526495.252	340356.351
BY ARC CENTERED AT	1532515.000	357575.000
TO	1523958.793	341465.669
BY ARC CENTERED AT	1531240.000	358190.000
TO	1522812.853	342012.780
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BY STRAIGHT LINE TO	1505571.538	350398.247
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TO	1504778.049	350791.968
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TO	1493740.316	356609.013
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TO	1483320.003	362088.736
BY STRAIGHT LINE TO	1481463.717	363099.069
BY STRAIGHT LINE TO	1472522.370	367321.496
BY STRAIGHT LINE TO	1464631.664	370388.555
BY ARC CENTERED AT	1471240.000	387390.000
TO	1464432.797	370467.198
BY STRAIGHT LINE TO	1461367.007	371700.413
BY STRAIGHT LINE TO	1455040.915	373829.471
BY STRAIGHT LINE TO	1449141.552	375497.695
BY ARC CENTERED AT	1454105.000	393050.000
TO	1447393.776	376088.906
BY STRAIGHT LINE TO	1443223.776	377738.906
BY ARC CENTERED AT	1449935.000	394700.000

	X	Y
TO	1442769.075	377925.950
BY STRAIGHT LINE TO	1437906.346	380003.323
BY STRAIGHT LINE TO	1435141.472	381047.641
BY STRAIGHT LINE TO	1431147.160	382502.176
BY ARC CENTERED AT	1431465.000	400740.000
TO	1426148.360	383291.431
BY STRAIGHT LINE TO	1423703.360	384036.431
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TO	1421665.109	384792.942
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TO	1417427.962	386302.424
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BY STRAIGHT LINE TO	1406674.661	389181.191
BY STRAIGHT LINE TO	1400158.431	390267.229
BY STRAIGHT LINE TO	1395814.598	390680.732
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BY ARC CENTERED AT	1392000.000	409180.000
TO	1390574.806	390995.170
BY STRAIGHT LINE TO	1386957.975	390976.807
BY STRAIGHT LINE TO	1385797.506	390941.712
BY STRAIGHT LINE TO	1383281.702	390515.548
BY ARC CENTERED AT	1380235.000	408500.000
TO	1382826.840	390444.486
BY STRAIGHT LINE TO	1380530.215	390114.809
BY STRAIGHT LINE TO	1379792.836	389886.779
BY ARC CENTERED AT	1363392.000	397870.000
TO	1364287.995	379651.426
BY STRAIGHT LINE TO	1363311.995	379603.426
BY ARC CENTERED AT	1362416.000	397822.000
TO	1348021.258	386618.846
BY STRAIGHT LINE TO	1347740.102	386685.385
BY STRAIGHT LINE TO	1339580.030	387874.310
BY STRAIGHT LINE TO	1332310.668	388693.581
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BY STRAIGHT LINE TO	1323345.435	388897.040
BY STRAIGHT LINE TO	1318623.382	388813.567
BY STRAIGHT LINE TO	1313960.559	388548.345
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BY STRAIGHT LINE TO	1299212.104	386971.530
BY STRAIGHT LINE TO	1294263.747	386188.550
BY ARC CENTERED AT	1291413.000	404205.000
TO	1293947.880	386141.401
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BY ARC CENTERED AT	1286154.000	403467.000
TO	1288273.366	385349.949
BY STRAIGHT LINE TO	1282879.366	384718.949
BY ARC CENTERED AT	1280760.000	402836.000
TO	1282342.694	384664.200
BY STRAIGHT LINE TO	1277049.694	384203.200

	X	Y
BY ARC CENTERED AT	1275467.000	402375.000
TO	1276973.676	384196.739
BY STRAIGHT LINE TO	1266567.571	383334.246
BY STRAIGHT LINE TO	1261753.853	382854.687
BY STRAIGHT LINE TO	1256844.970	382176.061
BY STRAIGHT LINE TO	1252081.894	381444.329
BY STRAIGHT LINE TO	1247119.827	380488.609
BY ARC CENTERED AT	1243670.000	398400.000
TO	1246625.928	380400.508
BY STRAIGHT LINE TO	1243865.458	379947.175
BY STRAIGHT LINE TO	1240510.889	379144.329
BY STRAIGHT LINE TO	1238894.264	378640.306
BY STRAIGHT LINE TO	1234691.701	377218.487
BY ARC CENTERED AT	1228846.000	394497.000
TO	1233981.468	376994.252
BY ARC CENTERED AT	1225768.000	393281.000
TO	1230677.055	375713.405
BY STRAIGHT LINE TO	1229077.217	374979.877
BY ARC CENTERED AT	1219065.000	390227.000
TO	1227370.800	373987.144
BY STRAIGHT LINE TO	1226184.927	373380.635
BY STRAIGHT LINE TO	1227213.819	367277.089
BY ARC CENTERED AT	1209227.000	364245.000
TO	1214917.815	346914.857
BY STRAIGHT LINE TO	1213303.815	346384.857

4. Pending further order of the Court or agreement of the parties, leases of lands lying partly within the area above described and partly landward of that area shall be in no way affected by anything contained in this decree, and revenues derived from such leases shall remain subject to impoundment under the Interim Agreement of October 12, 1956, as amended, in the same manner as heretofore.

5. The Court retains jurisdiction to entertain such further proceedings, enter such orders and issue such writs as may from time to time be deemed necessary or advisable to give proper force and effect to its previous orders or decrees herein or to this decree or to effectuate the rights of the parties in the premises.

In the Supreme Court of the United States

OCTOBER TERM, 1970

No. 9, Original

UNITED STATES OF AMERICA, PLAINTIFF

v.

STATE OF LOUISIANA, ET AL.

MEMORANDUM IN SUPPORT OF THE UNITED STATES' MOTION FOR ENTRY OF A SUPPLEMENTAL DECREE AS TO THE STATE OF LOUISIANA (NO. 3)

STATEMENT

On March 26, 1956, the Court allowed the United States to file this suit to define the seaward limit of the area given to Louisiana by the Submerged Lands Act, 67 Stat. 29, 43 U.S.C. 1301-1315. *United States* v. *Louisiana,* 350 U.S. 990. Thereafter difficulties arose over administration of the disputed area *pendente lite,* and on June 11, 1956, the Court enjoined further leasing or drilling by either party unless done pursuant to an agreement to be filed with the Court. *United States* v. *Louisiana,* 351 U.S. 978. Such an agreement was executed and filed on October 12, 1956, and leasing in

the disputed area has subsequently been conducted in accordance with it. That agreement is set out in Appendix "A", *infra*, pp. 29-51.[1]

The agreement authorizes leasing in the disputed area, chiefly by the United States, and requires proceeds derived therefrom by either party to be held impounded "until title to the area affected is determined" (Paragraph 9). Upon such determination as to any area, either party holding impounded proceeds of an area awarded to the other party is required to pay those proceeds to the other party (Paragraph 9), and the agreement terminates as to that area (Paragraph 15).

On May 31, 1960, the Court held that the Submerged Lands Act gave Louisiana only three miles from the coastline, rather than three leagues as claimed by the State. *United States* v. *Louisiana*, 363 U.S. 1. On May 17, 1965, in *United States* v. *California*, 381 U.S. 139, the Court decided various questions regarding the effect of the Submerged Lands Act. In the light of those decisions the United States, after consultation with counsel for Louisiana, moved the Court on November 23, 1965, for entry of a supplemental decree awarding to each of the parties certain areas as to which no further claim could be asserted by the other consistently with the decisions referred to. Louisiana answered but did not oppose that motion, and the proposed decree was entered on December 13, 1965. *United*

[1] Various modifications of the agreement have been executed and filed with the Court, but are not material to the present question.

States v. *Louisiana*, 382 U.S. 288. That decree provided that each party holding impounded funds derived from an area awarded to the other party should account for and pay over those funds to the other, and that each party holding impounded funds derived from an area awarded to itself could release those funds to itself free of impoundment.

On cross motions for entry of a further supplemental decree to establish the precise limit of the State's submerged lands, the Court issued an opinion on March 3, 1969, deciding many of the legal questions, but without attempting to relate them to any precise line. *United States* v. *Louisiana*, 394 U.S. 11. Louisiana's petition for rehearing was denied on April 21, 1969, *United States* v. *Louisiana*, 394 U.S. 994, and on May 19, 1969, the case was referred to Walter P. Armstrong, Jr., as Special Master, to consider the remaining legal and factual issues and report recommendations consistent with the Court's opinion. *United States* v. *Louisiana*, 395 U.S. 901. The Special Master has held several weeks of hearings for the taking of evidence. The final hearings for that purpose are scheduled to begin on April 26, 1971, and are expected to take about a week. Briefing and argument of legal contentions before the Special Master thereafter have not yet been scheduled.

In the proceedings before the Special Master, in response to interrogatories and requests for admissions served by the United States, Louisiana has submitted a description of a line, seaward of which it admits that it can make no claim consistent with the Court's opinion of March 3, 1969. That description is set out in para-

graph 3 of the proposed supplemental decree, *supra*, pp. 4-17.[2] The description was submitted under protest, based in part on the State's intention to ask for reconsideration of the opinion of March 3, 1969, and in part on the contention that it is legally improper to describe a line three miles from the coast by coordinates of points on the line, since those coordinates must always be computed from the coordinates of points on the coastline, and those computations cannot be exact but must always be rounded off at some point.[3] In Louisiana's description, the coordinate values are rounded off to the nearest one-thousandth of a foot.

Meanwhile, the United States holds impounded a large and growing amount of money derived from mineral leases of submerged lands situated wholly more than one foot seaward of the line described by Louisiana as the outermost limit of its possible claims under

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[2] As submitted by Louisiana, the description was accompanied by a fourth column of information, of which Louisiana's letter of transmittal said:

> The fourth column of information is irrelevant to the description. Its purpose is merely to serve as a coded record of lines of input data from which the output of each line in the description was derived. This is also for convenience in describing the particular lines of output data. The coded designations may become important for my people to conduct double checks in ironing out discrepancies, if any, between State and Federal positions.

We have not reproduced that information since, as pointed out by Louisiana, it is irrelevant to the description.

[3] Louisiana's solution to the problem would be to describe the line simply as a line, every point of which is three geographical miles seaward from the nearest point on a described coastline, omitting any computation of where such a three-mile line would be.

the Court's opinion of March 3, 1969. The amount so held is now more than one billion dollars.[4]

ARGUMENT

1. *The United States is entitled to the relief sought at this time.*—The purpose of this motion is to secure a decree adjudicating the rights of the United States in an area of the continental shelf as to which Louisiana admits that it can make no claim consistent with the Court's opinion of March 3, 1969, 394 U.S. 11, and to terminate the impoundment of revenues derived from leases of lands lying wholly within that area. Since this motion seeks essentially interim relief, in advance of a complete and final determination of the case, we should hesitate to impose it on the Court in the absence of compelling reasons, or if we thought it raised any serious issues, a consideration of which should be deferred until decision of the case as a whole. We present the matter to the Court now for reasons that we find compelling, and because we believe that the motion raises no truly debatable issue of law or fact.

Our reason for seeking relief at this time is that the United States now holds impounded, under the Interim Agreement of October 12, 1956, more than one billion dollars derived from lands lying wholly within an area to which Louisiana admittedly can make no claim under the Court's opinion of March 3, 1969. We cannot reasonably anticipate that the hearings, brief-

[4] In accordance with Paragraph 8 of the Interim Agreement, the United States gives Louisiana monthly reports of the amount held impounded, derived from each lease that is subject to impoundment by the United States.

ing, and argument before the Special Master on the numerous remaining legal and factual issues, submission of his report to the Court, filing of exceptions thereto by one or both parties, briefing and argument thereon, and decision and entry of a decree by the Court can be completed before June 1973 at the earliest. We consider it to be against public policy to require that so large a sum of public money be held sequestered for so long a time after every legal and factual question regarding that sum has been decided.

We believe that our motion presents no debatable issue of law or fact, since it is limited to sums derived from leases of lands lying wholly within that part of the continental shelf to which Louisiana admits that it can make no claim under the Court's opinion of March 3, 1969. We do not seek any relief at this time as to revenues derived from so-called split leases—that is, leases lying partly in an area to which Louisiana can and does assert a claim under the Court's opinion and partly in an area as to which it cannot. We should hesitate to burden the Court with the problems involved in splitting leases, prior to a final decision as to where the leases are to be split or whether they are to be split at all.

No such problems arise as to the leases which are the subject of this motion. As to them, the only question is whether the Court will reconsider its opinion of March 3, 1969. The Court has denied Louisiana's petition for a rehearing, 394 U.S. 994, and has referred the case to a Special Master to make a preliminary determination consistent with its opinion, 395 U.S. 901. There have been numerous conferences between the

parties and the Special Master, and many weeks of hearings involving months of preparation, pursuant to the reference. Those hearings are still continuing. In these circumstances, we suppose that the Court will not be disposed to upset its opinion of March 3, 1969, unless for the most urgent and unexpected reasons. We know of no reasons that have been or could be advanced that have not already been considered and rejected by the Court. Accordingly, we conclude that we impose only a minimal burden on the Court in asking it to effectuate what Louisiana admits to be the consequence of the Court's opinion of March 3, 1969.

Louisiana has sometimes suggested that the Court's reference to a Special Master in the case of *United States* v. *Maine, et al.*, No. 35, Original, 398 U.S. 947, presages a general re-examination of all this Court's previous decisions regarding relative state and federal rights in the seabed. However, we think Louisiana overlooks the fact that the order in No. 35, Original, was made in response to the protestations of Maine and the other defendant States in that case that they had never had their day in court, and that they should have an opportunity to prove their cases independently, without being foreclosed by decisions made in cases to which they were not parties. Louisiana, on the other hand, has had many days in court. *United States* v. *Louisiana*, 339 U.S. 699; *Id.*, 340 U.S. 856; *Id.*, 340 U.S. 899; *Id.*, 340 U.S. 907; *Id.*, 340 U.S. 939; *Id.*, 363 U.S. 1; *Id.*, 364 U.S. 856; *Id.*, 364 U.S. 502; *Id.*, 394 U.S. 11; *Id.*, 394 U.S. 994. We see little reason to anticipate that the Court will reconsider now the questions so thoroughly and so recently canvassed by it in this and

the predecessor case between the United States and Louisiana.

Another objection raised by the State has been that such a description, necessarily derived by computation from the coordinates of the shore points from which the three-mile limit is measured, must be inaccurate because the computations, in most instances, lead to decimal fractions that could be extended to an indefinite degree of refinement, without ever producing an exact figure. The figures given by the State have been computed to the nearest one-thousandth of a foot. Thus, any error of the sort mentioned could not exceed half of one one-thousandth of a foot, that is, five ten-thousandths of a foot. To avoid at this time any problem over the theoretical inexactitude of such measurements, we are limiting our present motion to the area lying more than one foot seaward from the line described by Louisiana. The one-foot margin thus provided is 2000 times wider than the possible seaward range of the errors of which the State complains. At a later stage of the case, when a definitive dividing line must be drawn, we shall deal with Louisiana's objection.

We have made no attempt here to burden the Court or complicate the proposed decree with an enumeration of the leases that will be affected. In this respect we have followed the precedent of paragraph 5 of the supplemental decree that was entered herein without opposition on December 13, 1965, 382 U.S. 288, 292. Since the United States itself holds the impounded receipts, it is possible now, as it was then, simply to authorize it to identify the affected receipts and release them to itself. The identification of the leases is purely

mechanical, and no disagreement is reasonably to be anticipated.

2. *This motion is properly addressed to the Court rather than to the Special Master.*—We believe that this motion is properly addressed to the Court directly. Giving full effect to all the reservations expressed by Louisiana in submitting its description, the fact remains that Louisiana admits that no area seaward of the described line is in dispute before the Special Master under the terms of the reference to him. We do not believe that there is any procedural necessity for us to seek from him a recommendation regarding an area that is not in issue before him.

As a practical matter, application to the Special Master would be at best a useless formality. The order of reference to him calls for a recommendation consistent with the Court's opinion; the question whether that opinion should be reconsidered is not before him. Thus, the only question that could be presented to him on the present motion would be the maximum extent of the claim now made by Louisiana under the Court's opinion; and Louisiana itself is surely in the best position to know what it claims. A report from the Special Master could do no more than repeat Louisiana's own statement as we have done in the proposed decree. An application to the Special Master would merely interject an additional and meaningless step in the procedure, taking his time and that of the parties to no purpose, and further delaying release of the impounded funds.

3. *Louisiana should be required to respond to this motion within 60 days.*—Under Rule 6(d) of the Fed-

eral Rules of Civil Procedure, a motion is normally to be heard not less than five days after service. Having in mind the character of this case and the fact that Louisiana is now preoccupied with preparations for presentation of its rebuttal evidence before the Special Master from April 26 through April 30, 1971, we do not suggest that Louisiana be required to answer before completion of that hearing. We submit the motion now only so that Louisiana can consider it in the interim to whatever extent it may find opportunity to do so. To allow 60 days after service will give the State at least six weeks after the close of the forthcoming hearings, which seems to us adequate for the purpose. The motion raises no issue of law or fact, but only the question whether the Court will require a very large sum of public money to be held impounded, after every question bearing on its ownership has been decided, simply on the chance that the decision may be reconsidered at some future time. We believe that extended briefing by either side is unnecessary and could add little to the considerations of judicial policy by which such a question must be answered.

CONCLUSION

For the foregoing reasons, the United States asks that the Court require Louisiana to respond to this

motion within 60 days, and that the Court enter a supplemental decree in the form submitted herewith.

Respectfully submitted.

ERWIN N. GRISWOLD,
Solicitor General.
SHIRO KASHIWA,
Assistant Attorney General.

GEORGE S. SWARTH,
JONATHAN I. CHARNEY,
Attorneys.

APRIL 1971.

APPENDIX "A"

AGREEMENT BETWEEN UNITED STATES OF AMERICA AND STATE OF LOUISIANA PURSUANT TO SECTION 7 OF THE OUTER CONTINENTAL SHELF LANDS ACT AND ACT 38 OF THE LOUISIANA LEGISLATURE OF 1956

WHEREAS, there is a controversy between the United States of America, hereinafter referred to as the United States, and the State of Louisiana, hereinafter referred to as the State, as to whether certain submerged lands in the Gulf of Mexico are owned by the State of Louisiana or whether such submerged lands are owned by the United States; and

WHEREAS, on June 11, 1956, the Supreme Court of the United States issued an order in the case entitled *United States of America* v. *State of Louisiana,* Original No. 15, October Term 1955, which provided among other things as follows:

> "It is further ordered that the State of Louisiana and the United States of America are enjoined from leasing or beginning the drilling of new wells in the disputed tidelands area pending further order of this court unless by agreement of the parties filed here."

and,

WHEREAS, Section 7 of the Outer Continental Shelf Lands Act of August 7, 1953 (67 Stat. 462), hereinafter referred to as the Act, authorizes the Secretary of the Interior, with the concurrence of the Attorney General of the United States, to negotiate and enter into agree-

ments with the States respecting operations under existing mineral leases and payment and impounding of rents, royalties and other sums payable thereunder, and respecting the issuance or non-issuance of new mineral leases pending the settlement or adjudication of the controversy; and

WHEREAS, the State of Louisiana, in Act 38 of the Louisiana Legislature of 1956, in recognition of the existence of the aforesaid controversy and of the said action of the Supreme Court of the United States, confers authority on the State Mineral Board, with the concurrence of the Attorney General of Louisiana, to negotiate and enter into agreements or stipulations for and on behalf of the State with the United States, respecting operations under any present or future mineral leases on the area in controversy, or the deposit in escrow or impounding of bonuses, rents, royalties and other sums payable thereunder pending the settlement or adjudication of the controversy; said act also providing for the ratification by the State of Louisiana of any mineral lease covered by any agreement entered into pursuant to its provisions, subject to compliance with its requirements; and

WHEREAS, the parties hereto agree that it is to the best interest of the United States and the State of Louisiana that the drilling of new wells be commenced and that, in certain instances, provision for leasing be made in the disputed area; and

WHEREAS, the United States of America and the State of Louisiana desire to provide for the impoundment of certain bonuses, rentals, royalties and other sums

heretofore or hereafter payable under mineral leases in the disputed area, pending the final settlement or adjudication of the said controversy, and thereafter for the validation or recognition of outstanding leases issued by either party,

NOW, THEREFORE, the United States of America and the State of Louisiana, by and through the Secretary of the Interior and the State Mineral Board, respectively, and with the concurrence of the Attorneys General of the United States and of the State of Louisiana, stipulate and agree as follows:

1

No definition, agreement or provision hereof shall be construed to waive or prejudice in any way any right or claim which either party now has or may hereafter be determined to have in and to any or all of the area referred to herein as the area in dispute, nor shall any provision hereof be the basis for questioning, prejudicing or waiving in any manner any right, interest, claim or demand whatsoever of either party now pending in the proceedings above referred to, or otherwise; and as to the State of Louisiana, nothing herein contained shall be construed in any manner as affecting the claim of the State of Louisiana to its historic boundaries as redefined in Act 33 of the Louisiana Legislature of 1954, or as otherwise fixed or defined, or the claim of the State of Louisiana to property and mineral rights within its historic boundaries.

2

The submerged lands in the Gulf of Mexico are divided for the purposes hereof into four zones as

shown on the plat annexed hereto as Exhibit "A", which reflects as a base line the so-called "Chapman-Line". No inference or conclusion of fact or law from the said use of the so-called "Chapman-Line" or any other boundary of said zones is to be drawn to the benefit or prejudice of any party hereto or of any third party. It is recognized that the so-called "Chapman-Line" has not been actually surveyed and that while the limits of each zone as reflected on the annexed Exhibit "A" shall be binding upon the parties for the purposes hereof, said specific limits remain to be finally fixed and determined either by agreement of the parties or otherwise. The aforesaid zones are as follows:

(a) Zone No. 1 comprises the area lying seaward of and within three (3) geographical miles of the so-called "Chapman-Line".

(b) Zone No. 2 comprises the area which is bounded landward by the seaward boundary of Zone No. 1 and which is bounded seaward by a line three (3) Marine Leagues from the so-called "Chapman-Line".

(c) Zone No. 3 comprises the area bounded landward by the seaward boundary of Zone No. 2 and bounded seaward by the seaward boundary line of the State of Louisiana as fixed and redefined by Act 33 of the Louisiana Legislature of 1954.

(d) Zone No. 4 comprises all that portion of the Continental Shelf lying seaward from the seaward line of Zone No. 3.

3

Notwithstanding the existence of a dispute or controversy as to any other area, the disputed area as here-

inafter referred to, sometimes referred to as the disputed tidelands area, or the area affected by the aforesaid controversy, is defined, for the purposes of this agreement, to be the area comprising Zones 2 and 3, as above defined and shown on the Exhibit "A".

4

As to any leases heretofore granted by either party, this agreement shall be applicable only to any oil, gas or other mineral lease which was on June 11, 1956, and is on the effective date hereof in full force and effect, either by virtue of its terms or as the result of a suspension or extension as hereinafter referred to in Paragraph 11(b)(1) and (3), either as to the United States, the State, or both, as to oil, gas or other minerals, insofar as any such lease relates to lands within the disputed area. This agreement shall also be applicable to any lease as to which, on the effective date hereof, all requirements for the validation thereof under Section 6 of the Act have been complied with, but which has not yet been validated under said Section 6.

5

The United States and the State of Louisiana hereby consent to the drilling of new wells in the disputed area on any lease or part thereof to which this agreement is applicable, by the lessee or approved operator of such leases, provided that the lessee shall have complied with the following requirements:

(a) Such lessee shall have executed the waiver and consent agreement annexed hereto as Exhibit "B",

in which it shall waive (under certain conditions set forth therein) as to such lease or part thereof, any claim based on ownership of the leased area by the State of Louisiana to a refund of any sums impounded by the United States under Paragraph 7 hereof, which it has or may have during the life of this agreement against the United States under Section 10 of the Act, or under any agreement entered into under Section 7 of the Act, and in which such lessee consents to the provisions of this agreement with respect to the impoundment and release of impounded funds.

(b) Such lessee shall also have entered into a separate agreement with the State of Louisiana on one of the six forms annexed hereto as Exhibits "C", "D", "E", "F", "G" and "H". Exhibit "C" is applicable to any producing lease or lease containing shut-in wells granted originally by the State and validated under Section 6 of the Act. Exhibit "D" is applicable to any of the same type of producing and shut-in well leases granted by the United States under Section 8 of the Act. Exhibit "E" is applicable to any non-productive lease granted originally by the State of Louisiana and validated under Section 6 of the Act. Exhibit "F" is applicable to any non-productive lease granted originally by the United States under Section 8 of the Act. Exhibit "G" is applicable to any of the leases granted by the State since May 22, 1953. Exhibit "H" is applicable to any lease granted originally by the State of Louisiana under which payments have been made both to the United States and the State of Louisiana, so as to maintain the lease in effect as to both parties. If there is a need for variation to meet a factual situation

relating to any lease which, in the opinion of both the State of Louisiana and the lessee, requires the insertion of special provisions in the form of agreement otherwise applicable to said lease, such special provisions may be inserted in said agreement by mutual consent of the State and the lessee; provided that said agreement otherwise incorporates the same basic requirements of the lessee. As to the leases affected by the two unitization agreements specifically listed in paragraph 12(b) and as to the leases affected by the agreements referred to in paragraph 11(b)(3), the form of agreement otherwise applicable to such leases shall be amended so as to refer specifically to such agreement and give recognition thereto.

The waiver and consent agreement and executed copies of the separate agreement with the State of Louisiana shall be filed in duplicate with the United States Oil and Gas Supervisor, United States Geological Survey, in New Orleans, Louisiana, and in duplicate with the Secretary of the State Mineral Board, State Capitol, Baton Rouge, Louisiana; and upon such filing, the consent to drill herein granted shall, without further action by any of the parties be effective. However, the consent to the drilling of new wells contained in this Paragraph 5 shall not relieve any lessee of the obligation to comply with all regulatory provisions relating to drilling and production.

The drilling of any wells on a unitized area will not be permitted until the waiver and consent agreement and a separate agreement with the State, as hereinabove provided for, shall have been executed by the lessee for each lease committed to that unit.

6

Notwithstanding any adverse claims by the other party hereto, the State of Louisiana as to any area in Zone No. 1, and the United States as to any area in Zone No. 4, shall have exclusive supervision and administration, and may issue new leases and authorize the drilling of new wells and other operations without notice to or obtaining the consent of the other party.

7

(a) Subject to the exclusions of subparagraph (d) hereof, the United States agrees to impound in a separate fund in the Treasury of the United States a sum equal to all bonuses, rentals, royalties and other payments heretofore or hereafter paid to it for and on account of each lease, or part thereof, in Zones 2 and 3, being the disputed area, if, as and when each such lease is made subject to the provisions of this agreement by the lessee thereof complying with the provisions of Paragraph 5 hereof.

(b) The State of Louisiana, since May 22, 1953, has granted certain mineral leases which affect submerged lands located in the disputed area. The parties take cognizance that, under the laws of the State of Louisiana, the State of Louisiana cannot impound sums heretofore paid to it with respect to such leases. Accordingly, in order that any lessee desirous of obtaining consent for the drilling of a well on any such lease may satisfy the requirement of the United States that such payments be impounded, the State of Louisiana agrees, with respect to any such lease, and as provided

in Exhibit G hereof, (1) to require of any lessee seeking a drilling permit to drill any portion of the leased premises lying within the disputed area to deposit in a separate fund for impoundment in the Treasury of the State of Louisiana a sum equal to all bonuses, rentals, royalties and other payments applicable to the disputed area theretofore paid to the State by the lessee, and to hold the amount so deposited as an impounded fund in its treasury, subject to the provisions hereof, and (2) to impound all payments hereafter received by it from the lessees of any of the said leases issued by the State in the disputed area since May 22, 1953, which are made subject to this agreement.

(c) As to any lease granted originally by the State of Louisiana under which payments have been made both to the United States and the State of Louisiana, so as to maintain the lease in effect as to both parties, it is agreed that (a) as to any such lease which is not now producing oil, gas or other minerals, lessee shall be required to continue, until further agreement of the parties, or until the final settlement or adjudication of the controversy, to make such dual rental payments, including payments based on shut-in wells; but in the event production of minerals is commenced, lessee shall deposit single royalty payments based upon such production for impoundment as provided for in subparagraph (e) hereof; (b) with respect to any well or wells now producing minerals from any such lease with respect to which royalty has been paid both to the State of Louisiana and to the United States, the lessee shall be required to continue, until further agreement of the parties, or until final settlement or adjudi-

cation of the controversy, to make such dual royalty payments under the terms of the applicable leases, subject to the provisions of any applicable agreement heretofore entered into between such lessee and the State of Louisiana, or between such lessee and the United States. No such royalty paid to the State of Louisiana on oil, gas and other minerals produced from any such well shall be subject to impoundment as herein provided for. However, in the event production is obtained from any additional well or wells which are not now producing minerals, single royalty payments based upon the production from any such well or wells shall be deposited for impoundment as provided for in sub-paragraph (e) hereof.

(d) There shall be excluded from the obligations of the parties in this paragraph 7 to impound separately (1) the dual rental payments, including payments based on shut-in wells, and dual royalty payments referred to in sub-paragraph (c) hereof, made under any lease, including such dual payments made under any agreement entered into under Section 7 of the Act, and (2) any rentals paid to the United States for that portion of the submerged lands affected by any lease granted originally by and valid as to the State of Louisiana extending into the disputed area when production is being obtained from that portion of the leased premises lying in Zone No. 1.

(e) All sums subject to impoundment which are payable hereafter under the terms of the leases granted by the State of Louisiana, as referred to in sub-paragraph (b) hereof, shall be paid by the lessee to the State of Louisiana for impoundment as hereinabove provided.

All sums subject to impoundment which may hereafter be payable by any lessee under the terms of any other lease made subject to the provisions hereof shall be paid by the lessee to the United States for impoundment as herein provided for.

Such payments to the State of Louisiana shall be made to the Register, State Land Office, or the official or agency then designated by Louisiana law to receive such payments, and deposited in a separate fund for impoundment in the Treasury of the State of Louisiana.

Such payments to the United States shall be made to the Oil and Gas Supervisor, United States Geological Survey, New Orleans, Louisiana, or the official or agency then designated by the law of the United States to receive such payments, for impoundment in a separate fund in the Treasury of the United States.

(f) In the event that only a part of a lease is within the disputed area, the sums to be impounded under this paragraph 7 shall be determined on a pro-rata basis as hereinafter provided for in Paragraph 10.

(g) The United States and the State of Louisiana agree that all such payments made pursuant to subparagraph (e) above, if otherwise made in accordance with the provisions of each such lease and this agreement, shall, subject to the provisions of Paragraph 11(a) hereof, be considered as payments in compliance with the lease affected.

8

Each of the parties, promptly after the effective date hereof, and in any event within 90 days from such effective date, shall furnish to the other party a state-

ment of all sums which are subject to impoundment by each party under the terms hereof. Such statement shall be made separately with respect to each lease or portion thereof within the disputed area and shall reflect the amounts theretofore received and the nature and source of the funds so received. Thereafter the parties shall cooperate in making available to each other on a monthly basis a statement with respect to each such lease, so that each party shall have a current record of the amounts received with respect to each such lease and the nature and source therof.

9

Except as to claims under Section 10 of the Act with respect to sums which would not be due to the State of Louisiana even if the question of ownership of the leased land is determined in the State's favor, the impounded funds provided for herein shall be held intact, in a separate account for each lease or portion thereof affected, by each party until title to the area affected is determined. Whereupon, except as otherwise herein provided:

(a) Any funds derived from an area finally determined to be the property of the United States shall be taken from the separate and impounded fund in the Treasury of Louisiana provided for herein and paid to and received in the Treasury of the United States as provided by law.

(b) Any funds derived from an area finally determined to be owned by the State of Louisiana (except the funds referred to in sub-paragraph (c) hereof) shall be taken from the separate and impounded fund

in the Treasury of the United States provided for herein, paid to the Register, State Land Office, State of Louisiana, or the official or agency then designated by Louisiana law to receive such payments, and shall thereafter be received in the Treasury of the State of Louisiana, as provided by law.

If, with respect to any lease, the lessee shall have paid the State of Louisiana all or any part of the amount of the impounded fund, prior to the payment of such impounded fund to the State of Louisiana by the United States, the amount of such payment so made by the lessee shall not be paid to the State, but shall be subject to the provisions of sub-paragraph (d) hereof.

(c) Any funds representing additional royalty paid to the United States under Section 6(a)(9) of the Act which are impounded pursuant to Paragraph 7(a) hereof, shall, on determination that such funds are derived from an area determined to be owned by the State of Louisiana, be taken from the separate and impounded fund in the Treasury of the United States provided for herein and paid to the Collector of Revenue of the State of Louisiana, or the official or agency then designated by Louisiana law to receive such payments, and shall be credited by the State only against taxes which may be due and payable and not theretofore paid to the State under the terms of the agreement between the State and the lessee of such lease or leases from which such funds were derived; and any of such funds in excess of the credit required to make the State whole in respect to such taxes shall be released by the State to such lessee or lessees.

(d) In these cases (1) where the lessees have not complied with Paragraph 5 of this agreement, or (2) where dual payments have been made both to the United States and the State of Louisiana, including such dual payments made under any agreement entered into under Section 7 of the Act, or (3) where the lessee shall have made payments to the State of Louisiana under any lease of all or any part of the impounded funds prior to the time that the impounded funds are paid by the United States to the State of Louisiana, or (4) where rentals have been paid to the United States during the period that production is being obtained on that part of the same lease granted by and valid as to the State of Louisiana, and lying in Zone No. 1, or (5) finally as to any lease or part thereof determined to be owned by the United States, where sums have been paid for impoundment in excess of the amount that lessee was lawfully required to pay under such lease, refunds, if any, from the United States shall be made to the lessees pursuant to applicable law.

(e) Payments of impounded funds hereunder shall be made in full within seventy-five (75) days after the date of the applicable determination, unless by agreement of the parties a later date is specified.

(f) The provisions of this paragraph shall apply separately to each lease or that portion thereof in the disputed area.

10

In the event only a portion of the area affected by any lease lies within the disputed area, then until the final settlement or adjudication of the controversy, all

sums which are to be impounded by any party under the terms hereof shall be pro-rated on an acreage basis as to bonuses and rentals; and as to royalties, the amount shall be computed by attributing to the area in dispute royalties from each well bottomed under the area in dispute. If, however, in connection with royalty payments, any well or wells are bottomed under a unit theretofore validly established which includes submerged lands lying within the area of dispute, the royalty from such well or wells shall be allocated to each lease or portion thereof lying within the area of dispute, in the proportion that the number of acres covered by such lease and participating in the production from any such well or wells, in accordance with the terms of the unit agreement, bears to the total number of acres so participating in such production.

However, as to the unit for oil and gas dated October 27, 1954, approved December 22, 1954, of which Continental Oil Company is the operator, comprising 51,579.78 acres, including Blocks 38 through 41, 46 through 49, 51, 52, and the west half of 53 in the Grand Isle area, and the unit for oil and gas dated November 21, 1955, approved January 16, 1956, of which Continental Oil Company is the operator, comprising 27,997.605 acres, including Blocks 42, 43, the north half of 44, the south half of 32, 69, 70, the south half of 67, and the south half of 68, in the West Delta-Grand Isle area, until such time as the United States and the State shall agree on another method of allocation, the allocation provisions of the two said unit agreements shall be disregarded, and there shall be attributed to each lease or portion thereof in the disputed area the royalties

from the well or wells bottomed under such lease or portion thereof.

In the event of a final determination that either party hereto owns only a portion of the area affected by any lease or leases, the impounded funds shall be prorated on the same basis as just hereinabove provided for, and payments shall be made accordingly.

11

(a) Upon the final settlement or adjudication of the aforesaid controversy, as to any area affected by a lease or portion thereof to which this agreement is applicable, the successful party, upon receipt of the impounded funds, shall validate and give recognition to such lease or portion thereof, and shall grant to the lessee all of the rights authorized or provided for by the laws of the successful party. It is provided, however, that the ratification and validation of any lease by the State of Louisiana shall be subject to the full compliance by the lessee under said lease with Act 38 of the Louisiana Legislature of 1956, and shall be in accordance with and subject to compliance with the terms of the separate agreement to be made by such lessee with the State of Louisiana as herein provided for.

(b) Nothing herein contained shall obligate the United States or the State to recognize or give effect to any conventional agreement executed, or any order, determination or regulation issued by the other subsequent to June 11, 1956, amending, modifying, or otherwise changing any lease subject to the provisions of this agreement, except that the successful party in the controversy shall recognize and give effect to the

following, even though subsequent to June 11, 1956:

(1) An agreement, order or determination recognizing that the running of the period during which any lease may be maintained in effect without drilling or producing operations or without payment of shut-in rental or royalty on the basis of a well capable of producing oil, gas or other minerals, insofar as it relates to land affected by the aforesaid controversy, has been and shall be suspended during the period or periods of time that the right to drill has been enjoined by order of court;

(2) The pooling and unitization agreements as provided for and as described in paragraph 12(b) hereof;

(3) The suspension or extension of the necessity for producing from oil or gas wells, and the recognition of the continuance of the leases affected during such suspension or extension, provided such suspension or extension is on any one of the following bases: (a) An extension of the period formerly provided within which to make payments of shut-in gas rental or royalty; (b) The shutting in of a well when necessary or desirable for the prevention of waste, or as a matter of operational safety, such as during the drilling of another well from the same platform; (c) The shutting in of a well for such period or periods as may be reasonably necessary to permit installation of producing and transporting facilities; (d) Under Section 12 of the Act.

Neither party shall, without the consent of the other, enter into any agreement reducing rentals or royalties payable under any lease made subject to the terms hereof.

(c) Any lessee shall have the right to elect not to maintain in force and effect any lease brought under the terms hereof, but any such election or any failure of a lessee to maintain a lease in effect shall not relieve that lessee of the obligation to pay to the State of Louisiana or to the United States, with respect to such lease, all bonuses, rentals, royalties and other considerations (and with respect to the State of Louisiana all licenses, taxes and fees) which have become due prior to the termination or forfeiture of said lease. Also, this agreement as between the United States and the State of Louisiana, shall continue in effect as to the payments made with respect to such lease.

(d) The provisions of this Paragraph 11 shall apply separately to each lease or that portion thereof in the disputed area.

12

(a) The parties hereto agree to consult and cooperate with respect to the approval of pooling or drilling agreements relating to leases lying partly within and partly without the disputed area.

(b) It is agreed that, for the purpose of ratification and validation of each separate lease or portion thereof included therein, as provided for in Paragraph 11(a) above, any unit validly established by agreement of either party prior to June 11, 1956, shall be given effect in accordance with its terms and the law, regulation or order under which it was established; provided that neither this provision nor any other provision of this agreement, or of the unit agreement, shall limit the right of the party finally determined to own the

area or portion thereof affected by such unit, if not the party by whom or with whose consent such unit was established, from taking, subsequent to such final determination, such action with respect to any such unit as may be authorized by and consistent with its then laws or policies. Any lessee affected by such action shall be given a reasonable time within which to comply with the then laws or policies and to safeguard the terms of its lease. Notwithstanding their establishment subsequent to June 11, 1956, the provisions of this paragraph 12(b) shall also be applicable to the following described unitized areas and unit agreements in the same manner as though they had been established prior to June 11, 1956, same being all such which were approved subsequent to said date and prior to October 9, 1956:

1. The unit for oil and gas dated December 9, 1955, and approved June 29, 1956, of which Magnolia Petroleum Company is the operator, comprising 17,250 acres in the Ship Shoal Area, lying in Block 63, west half of 64, west half of 71, 72, east half of 73, and north half of 87.

2. The oil and gas unit dated May 25, 1956, which was approved on June 28, 1956, of which Kerr-McGee Oil Industries, Inc. is the operator, comprising 30,000 acres in the Ship Shoal Area lying in Blocks 27, 28, 29, 34, 35 and 36.

13

No new leases shall be granted by either party in that part of the disputed area lying in Zone No. 2, except

that when the Secretary of the Interior and the State Mineral Board of Louisiana shall jointly determine new leases are necessary to prevent drainage of unleased lands, the Secretary of the Interior may grant such new leases which shall be subject to the terms of this agreement. Otherwise, the injunction against new leasing shall continue to be effective as to that area.

Beginning one year from the effective date hereof, the Secretary of the Interior, or his delegate, may grant new mineral leases in Zone No. 3, being the remainder of the disputed area.

All leasing pursuant to this Paragraph 13 shall be done by the Department of the Interior in accordance with and subject to its then regulations and practices under the Act, including the determination of when lease sales shall be held and what land shall be offered, the method of advertising, the date and time of the opening of bids, and the awarding, execution and form of leases, *Provided* that the minimum royalty, bonus and rental for any such lease shall not be less than the minimums provided in the proposed letting of May 15, 1956, and the maximum acreage in any lease and the term thereof shall be as provided for in said proposed letting; *Provided, further,* that there shall be a joint committee of six, three members of which shall be designated or appointed by the Secretary of the Interior or his delegate, and three members of which shall be designated or appointed by the State Mineral Board of the State of Louisiana, whose duties and functions shall relate solely to a consideration of adequacy of the bids. The Director of the Bureau of Land Manage-

ment shall promptly furnish to this committee full information as to all bids received, designating specifically these which he proposes to accept or reject. The committee shall accept the decision of the Director with respect to the bid or bids on any block, tract or portion thereof unless four members thereof shall cast an opposing vote in which case the decision of the committee shall prevail and the Director shall act in accordance with such recommendation. The committee shall be allowed no more than 10 days within which to consider and act on the information submitted to it.

All sums payable under the terms of any lease granted pursuant to this Paragraph 13 shall, notwithstanding any other provision of this agreement, be paid to the United States for impoundment and release as provided for in Paragraphs 7 and 9 above, and any such lease shall be subject to all of the terms and provisions of this agreement, including, but not limited to the consent to drill and the validation provisions hereof.

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Any sums required to be impounded by either party hereto, or to be paid over or released to the other party by any party hereto, shall be impounded, paid or released without reference to, limitation by, or offset against any claim against or liability or obligation of the other party, but nothing herein contained shall limit such right as either party may have to assert separately any other claim which it may have against the other party, or any third party.

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This stipulation and agreement shall terminate as to any area, upon the final settlement or determination of the aforesaid controversy with respect to such area; and thereafter the successful party shall have exclusive jurisdiction and control over the area so determined to be owned by it to the extent fixed by the decision in the final adjudication. In the event of the final settlement or determination of the controversy, with respect to a part or parts of the disputed area, leaving another part or other parts still in dispute, this agreement shall be deemed to continue to apply to all areas still in dispute; and if the area still in dispute divides a lease now lying wholly within the disputed area, or divides a portion of a lease lying within the disputed area, this agreement shall continue to apply to that portion of such divided lease lying within the area still in dispute. It is provided, however, that notwithstanding the termination of this stipulation as to any area, the parties shall nevertheless comply with all of the provisions hereof relating to the payment or release of impounded funds and the validation or ratification of the lease or leases affected by such termination.

Upon the final settlement or adjudication of the controversy as to all of the submerged lands within the disputed area, this stipulation shall finally terminate, subject only to the release of payments and the validation and ratification requirements hereof.

Annexed hereto as Exhibits I and II, respectively, are certified copies of Act 38 of the Louisiana Legislature of 1956 and Act 33 of the Louisiana Legislature of 1954, hereinabove referred to.

THUS MADE AND EXECUTED effective this 12th day of October, 1956.

UNITED STATES OF AMERICA

By (Sgd) FRED A. SEATON
Secretary of the Interior

Concurred in by:

(Sgd) HERBERT BROWNELL, JR.
Attorney General of the United States

STATE MINERAL BOARD ON BEHALF OF THE STATE OF LOUISIANA

By (Sgd) WILLIAM G. HELIS, JR.
Chairman

Concurred in by:

(Sgd) JACK P. F. GREMILLION
Attorney General of the State of Louisiana

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